The 8th October 1897.

The following is the Dewan's Address read at the opening of the Assembly—

GENTLEMEN,

In addressing you, by command of Her Highness the Maharani-Regent, on the administration of the past year, I shall first allude to the subject which must be uppermost in your minds, I mean the drought which prevailed in a more or less severe form in all our Maidan Districts. Happily the anxiety thereby caused has now been allayed by the plentiful rain we have so recently had all over the country. The S. W. Monsoon of last year, while it was both excessive and unseasonable in the Malnad, where it did serious damage to supari and coffee, was marked by scanty and long intermitted showers in the Maidan. The N. E. Monsoon was deficient every where; the tanks in most parts of the Maidan did not receive their normal supply, and the wet crops under them mostly failed; and the dry crops were indifferent over large areas. During the current year again the S. W. Monsoon threatened to fail altogether, and in many Maidan parts scarcity of fodder and drinking water was felt. The situation was aggravated by the prevalence in the bordering Districts of British India of widespread distress, which in some parts afterwards developed into a Famine. Although the conditions in the State itself were not particularly unfavorable, yet owing to food grains being extensively exported, the prices rose at one time almost to famine rates; rice went up 50 per cent, ragi 100 per cent, and jola 200 per cent; immigration set in of both men and cattle driven by the stress of famine in the British Districts; and the Government had in consequence to adopt special measures of precaution and to prepare for coping effectually with the threatened drought and its possible developments. Our policy in the main was the same as that which had enabled us to pass unscathed through a similar calamity in 1891-92.

Special precautions were taken for ensuring the safety of food grains in store and in transit, cultivation in dry tank beds was authorized and the grazing in State Forests set free for the use of ryots' cattle. Nearly 2½ lakhs of rupees were granted for the construction of drinking water wells and works of village sanitation from Local Funds General, and an aggregate allotment of Rs. 2,80,500 was made for loans to ryots for the construction of irrigation wells and land improvement. Programmes of village relief works where likely to be wanted were ready, but the necessity for starting such works did not actually arise, as the concentration in the more affected parts, of works of the District and General Local Funds and of the D. P. W. Budget had so far proved sufficient. In certain taluks of the Kolar, Tumkur and Chitaldrug Districts which suffered most from the scanty rain-fall, Government directed the remission of one-half of the year's assessment on waste wet lands, and the Hulbanni tax was remitted in portions of the Chitaldrug District. A Famine Relief Code for Mysore was issued, agreeing in the main with the approved famine policy of the Government of India, but providing at the same time for continuing the distinctive feature of our policy of 1891-92, namely, the execution, in the early stages of distress, through the agency of the Revenue Department, of small village works calculated to afford the poorer agriculturists and landless field labourers the means of earning a sufficient livelihood near their homes. The measures above enumerated, while ensuring proper watchfulness on the part of the local executive, tended to inspire general confidence. The rains of the last month were most timely and have removed all cause for anxiety regarding the prospects of the season, but unfortunately they proved excessively heavy, did harm in other ways and led to the disastrous Railway accident we had recently to deplore.

The contributions of private charity from all parts of the British Empire for the relief of the severe famine in the North of India having led to the formation of the Indian Famine Charitable Relief Fund, the people of Mysore, notwithstanding that their own position was not free from anxiety, spontaneously came forward to take a part in this great Imperial movement and contributed their mite to this Fund as some help to their suffering countrymen in the North. I am informed that the contributions from Mysore up to date are a little over Rs. 87,000.

I now proceed to read to you the statements of the approximate Income and Expenditure of the State under all heads during the past official year, as compared with the actual income and expenditure of 1895-96 :—

Receipts.

Heads of Receipts.	1895-96, Final.	1896-97, Preliminary.	Difference.
	Rs.	Rs.	Rs.
Land Revenue	97,68,358	93,60,451	—4,07,907
Stamps	7,64,163	7,64,447	+284
Excise ... Arrack	18,94,661	18,12,694	—81,967
Excise ... Toddy	14,33,254	14,14,475	—18,779
Excise ... Miscellaneous	63,034	61,275	—1,759
Sayer	4,29,178	2,94,061	—1,35,117
Mohatarfa	2,66,504	2,60,673	—5,831
Forests ... Sandalwood	8,01,043	4,68,256	—3,32,787
Forests ... Timber	1,76,766	1,95,561	+18,795
Forests ... Other Forest items	2,83,995	2,52,711	—31,284
Forests ... Kheddas	30,419	73,927	+43,508
Gold Mining	7,74,885	10,49,161	+2,74,276
Registration	1,03,719	1,03,238	—481
Amrut Mahal	26,813	19,508	—7,305
Investment Account	3,33,008	4,47,162	+1,14,154
Interest on Deposits in the Madras Bank	91,005	1,32,024	+41,019
Interest on Loans and Arrears of Revenue ...	34,250	41,334	+7,084
Law and Justice ... Courts	56,203	59,566	+3,363
Law and Justice ... Jails	21,186	26,267	+5,081
Education	91,632	93,105	+1,473
Departmental receipts	37,991	30,239	—7,752
Public Works	23,138	25,944	+2,806
Other Items	1,42,108	1,26,492	—15,616
Total ...	176,47,313	171,12,571	—5,34,742
State Railways—Revenue Account ...	6,20,674	6,11,060	—9,614
Grand Total including State Railways ...	182,67,987	177,23,631	—5,44,356

Expenditure.

Heads of Expenditure.	1895-96, Final.	1896-97, Preliminary.	Difference.
	Rs.	Rs.	Rs.
Subsidy	24,50,000	35,00,000	+10,50,000
Civil List	14,00,000	14,00,000	...
Pensions to the Members of the Royal Family ...	80,000	80,000	...
Political Pensions including allowances in lieu of Jahgirs.	1,08,761	1,03,602	—5,159
Refunds and Drawbacks	2,65,353	2,17,321	—48,032
Land Revenue Establishments...	8,08,794	8,17,191	+8,397
Remuneration of Village Officers	6,70,492	6,22,288	—48,204
Stamps	41,346	31,631	—9,715
Excise	1,79,806	1,99,188	+19,382
Sayer	13,778	14,644	+866
Forests including Elephant Kheddas	5,16,450	5,15,272	—1,178
Gold Mining	7,950	9,787	+1,837
Registration	48,940	51,815	+2,875
Amrut Mahal	28,368	30,808	+2,440
Interest	2,25,225	2,25,033	—192
General Administration	4,00,608	4,48,448	+47,840
Law and Justice ... Courts	8,22,903	8,51,093	+28,190
Law and Justice ... Jails	76,692	80,076	+3,384
Police	7,85,833	8,52,956	+67,123
Education	5,01,704	5,12,750	+11,046
Mujroyi	3,26,695	3,21,958	—4,737
Medical	3,11,588	2,99,931	—11,657
Government Houses	59,152	63,314	+4,162
Scientific and Minor Departments	1,85,818	2,09,356	+23,538
Superannuation Pensions and Gratuities, &c. ...	2,62,420	2,75,360	+12,940
Stationery and Printing	2,06,159	1,64,808	—41,351
Investment Account	1,12,710	3,22,807	+2,10,097
Other items	3,01,033	2,27,743	—73,290
Public Works, including Special Sanitary Works ...	32,12,481	25,71,024	—6,41,457
Army	9,81,470	9,69,279	—12,191
Total ...	153,92,529	159,89,483	+5,96,954
State Railways — Interest on expended portion of Railway Capital of the Mysore-Harihar Line.	7,53,871	6,99,408	—54,463
State Railways — Other Railways Capital Account	1,17,311	2,57,217	+1,39,906
Total ...	8,71,182	9,56,625	+85,443
Grand Total including State Railways ...	162,63,711	169,46,108	+6,82,397

Income.

Land Revenue.—In the statement of Income, the most noticeable feature is the considerable falling off under Land Revenue realized during the year, due chiefly to the unfavorable character of the year's rain-fall as already described. Owing to this cause the collection of a portion of the year's Land Revenue had to be deferred and some actual remissions became necessary; the demand for Government waste land for extension of cultivation was slacker than in 1895-96 and some wet lands under tanks which received no water in the Maidan Districts of Kolar, Tumkur, Bangalore and Chitaldrug were actually relinquished by the ryots.

Another cause of the decreased Land Revenue of the year was the introduction of the scheme I described to you last year, for a reduction of the heavy assessment on Malnad areca gardens. This scheme which has been brought into effect involves a total reduction in the annual Land Revenue of Rs. 83,480, and of this amount Rs. 75,000 appear in the last year's accounts.

The reduction in the year's Land Revenue due to the above causes was approximately as follows under the various heads:—

	Rs.
1. Deferred collections and remissions	2,75,000
2. Decrease in the sale proceeds of Government waste lands	97,000
3. Relinquishment of wet lands in Maidan Districts. ...	13,000
4. Reduction of areca assessment	75,000
Total Decrease ...	4,60,000

Per Contra, about 25,000 acres of new lands taken up in the year for dry, garden and coffee cultivation, brought an additional revenue of Rs. 18,500,* which, together with small improvements in Miscellaneous Items, served to give a net decrease in Land Revenue, as compared with the previous year, of Rs. 4,07,907.

	Extent. Acres.	Assessment. Rs.
Dry	22,300	14,000
Garden	600	4,000
Coffee	2,000	500
	24,900	18,500

Excise.—In Excise Revenue the decrease of Rs. 81,967 under Arrack was due to the smaller consumption of the year, the result of the high prices of food grains. The quantity consumed was 415,451 gallons, being a decrease, as compared with 1895-96 of 26,887 gallons, representing a falling off in the Still Head duty of nearly 1¼ lakh, but there was an increase of Rs. 34,191 in the rental of Separate Shops and Vend Farms sold by auction. With the single exception of the Kolar Gold Fields where, under the special high rates of wages commanded by the imported labor, the consumption showed an increase of 7,232 gallons, the decrease in consumption was general throughout the State, and in the case of the coffee talúks there was, in addition to the high price of food grains, the further check of a slack demand for labor owing to the unfavorable season. The decrease of Rs. 18,779 under Toddy was due to fluctuations in the collections of the Revenue, and calls for no special remark.

While on the subject of Excise Revenue, it may interest you to know that two important changes have been introduced with effect from the commencement of the current year. The first is the increase of the retail price of arrack per gallon 20° U.P. from Rs. 5-5-0 to Rs. 6-6-0. This gives the high rate of 2 annas per dram of the local measure and is expected to exercise a moderating salutary effect upon the consumer without inflicting any undue hardship. The other

change introduced is the system of licenses for tapping trees for toddy. This system is already in force in parts of the Madras Presidency and is expected to tend to the better conservancy of our date groves and to augment the Toddy Revenue without any increase in consumption.

Sayer.—Under Sayer the decrease amounts to Rs. 1,35,000. It occurred chiefly in the Districts of Shimoga and Kadur, where the Areca trees suffered much from the disease known as Kolé-roga, brought on by the excessive rain-fall of the year, and the yield of the nut was in consequence far below the average.

Forests.—In the Revenue from Forests there was a large falling off, the decrease under Sandalwood alone having amounted to Rs. 3,32,000. The prevalence of the Bubonic Plague in Bombay and the Famine over a large area in the North affected the market for Sandalwood, and about 770 tons had accordingly to be retained unsold in the various Kotis. Miscellaneous Forest produce also gave a poorer return than in the previous year.

Kheddas.—Under the Bengal system, newly tried last year, of tracking elephant herds and surrounding them wherever found, three captures were effected, the number of elephants caught being 161. Besides these, 9 stray elephants which happened to enter the Kheddas later on, were also captured, making a total of 170. 52 of these were lost by death from various causes, by escape and by having had to be shot or released; 75 of the remainder and one elephant of the previous year's catch were disposed of for Rs. 71,945. The Khedda receipts including the previous year's arrears amounted to Rs. 73,927. The year's deficit under Kheddas was Rs. 12,273 against Rs. 47,204 in 1895-96, but the sale of the 43 elephants which remained unsold at the end of the year is expected to bring over Rs. 20,000. As it is now necessary to give the herds some rest, and as the Bengal system is found to be too wasteful, capture operations have had to be suspended for a time.

Gold Mining.—The value of gold extracted during the year amounted to £1,344,923 against £1,109,785 during 1895-96, and the Royalty on the year's production was £67,246.

The annexed statement shows the production of the various mines :—

Names of Companies.	1895-96							1896-97						
	Weight of Bar Gold produced.			Equivalent in Standard Gold.	Certified value in			Weight of Bar Gold produced.			Equivalent in Standard Gold.	Certified value in		
	oz.	d.	g.	oz.	£	s.	d.	oz.	d.	g.	oz.	£	s.	d.
Mysore Gold Mining Company ...	91,082	13	11	91,496·879	355,657	9	1	114,815	6	20	115,420·555	449,467	18	2
Urigaum do	72,301	5	0	69,761·753	271,409	1	4	57,771	15	0	55,657·109	216,867	1	2
Nundydroog do	40,950	9	13	39,089·496	152,199	9	0	50,197	0	0	48,844·962	190,482	13	8
Balaghat do	2,010	4	15	1,421·987	5,519	15	5	1,252	3	14	1,401·753	5,443	12	1
Nine Reefs do	811	7	0	258·694	1,004	3	8	286	15	0	274·801	1,068	16	1
Champion Reefs do	75,759	17	13	74,770·237	290,845	19	10	167,994	16	0	105,037·984	409,280	5	2
Gold Fields of Mysore do	261	3	5	200·628	779	10	6	1,116	10	12	888·854	3,452	16	11
Mysore West do	3,382	9	9	3,340·837	12,923	13	3½	3,511	15	12	3,482·833	13,533	2	0
Mysore Wynaad do	3,382	9	9	3,340·837	12,923	13	3½	3,511	15	12	3,482·833	13,533	2	0
Coromandal do	1,655	13	0	1,626·761	6,326	16	2	11,007	4	9	10,711·972	41,747	5	11
Kempenkote do	45	10	0	42·178	163	16	11	...	...	...	...	...	...	...
Honnali do	77	1	0	....	32	19	4	15	15	0	...	...	...	...
S. E. Mysore-Yerrakonda do	...	...	...	....	...	...	...	14	4	0	11·946	46	5	4
Total ...	291,220	3	3	285,350·287	1,109,785	18	10	351,493	1	7	345,215·602	1,344,922	18	6

The most noticeable increase in production has been in the Champion Reefs and Mysore; Nundydroog also shows some improvement, while the Tank Block (Mysore Wynaad and Mysore West) and the Coromandal Mines appear to have reached the dividend paying stage.

State Investments.—Owing to new investments in Government securities of the nominal value of nearly 37½ lakhs and to the higher rates of interest obtained for Bank Deposits there was an increase of a little over 1 lakh in the income from investments.

Railways.—In Railway income there was a slight falling off of Rs. 9,164.

Expenditure.

Proceeding next to examine the Expenditure of the State during the past year, the most important item is the increase of the Subsidy to the British Government by 10½ lakhs. You no doubt remember that upon the Rendition of the State to Native Rule, the Subsidy was enhanced from 24½ lakhs to 35 lakhs per annum, but the enhancement was generously waived for 15 years till 1895-96. After due consideration of the present resources of the State and of the various representations submitted by the Durbar from time to time for a permanent relinquishment of the increment, the British Government came to the conclusion that there were no grounds for its postponement beyond the 31st March 1896, (*i.e.*, beyond the 15 years from the Rendition for which it had originally been waived) and accordingly the enhanced Subsidy of 35 lakhs had to be paid in full last year. In this connection I must also refer to the recent decision of the Government of India as regards the surplus revenue of the Assigned Tract forming the Civil and Military Station of Bangalore. It is to the effect that so long as the Government of India spend the Revenues of the Station upon projects which they decide to be the purposes of the Station or of its administration, no question of surplus or of the consideration of the surplus in connection with the Subsidy, arises. This decision has led to the payment by the Durbar of the Subsidy at the enhanced rate of 35 lakhs, without any reduction on account of the surplus revenue of the Station.

There have also been small increases in some of the Departments of the Administration, the more important of which are explained below:—

Rs.

19,382 under 'Excise' was due to a revision of the Establishment and to the cost of introducing the new tree tax system already explained.

47,840 under 'General Administration' was mainly under salaries of Councillors and of the Tutor and Governor to His Highness and increased Head Quarter Establishments.

28,190 under 'Courts' was, owing chiefly to the charges incurred in connection with the Special Court constituted temporarily for the disposal of the case brought by the heirs of the late Brijilal Das, to the reconstitution of the Sub-Judge's Court at Shimoga and the establishment of an additional Munsiff's Court at Mysore.

67,000 under 'Police' was due to increase of the pay of Police Constables by one rupee (from Rs. 6 to 7 and from Rs. 7 to 8), and to the allowance of Totis and Talaries at the Special Ghat Roads sanctioned last year having been paid in full during the year.

11,000 under 'Education' was chiefly owing to purchase of books for the Oriental Library and of furniture and apparatus for the Department and to increments of the pay of the Inspector General.

23,500 under 'Scientific and Minor Departments' was on account of charges in connection with the printing of the Mysore Gazetteer, of purchases of apparatus for the Geological Survey Department, and increment of the pay of the Senior Geologist.

13,000 under 'Superannuation Pensions, Gratuities, &c.' was due partly to payment of arrears of previous year and to new pensions granted.

2,10,000 under 'Investment Account' was owing to premia paid on the larger purchase of the Government of India Pro-Notes.

Railways.—In the interest payment for the borrowed capital of the Mysore-Harihar Railway there was a decrease of Rs. 35,941, while the expenditure on the capital account of other Railways shows an increase owing chiefly to the new Railway now being built by the State from Birur to Shimoga.

Gross and Net Income and Expenditure.—Having now explained the principal variations in the year's Receipts and Disbursements, I must next ask your attention to the Statements of Gross and Net Income and Expenditure.

No. I.—Statement of Gross and Net Income, 1896-97.

Heads of Receipts.	Gross Receipts, 1896-97.	Refunds and Drawbacks, 1896-97.	Charges, 1896-97.	Net Receipts, 1896-97.	Net Receipts, 1895-96.
	Rs.	Rs.	Rs.	Rs.	Rs.
1. Land Revenue ...	93,60,451	1,70,445	14,39,479	77,50,527	81,08,431
2. Stamps ...	7,64,447	9,947	31,631	7,22,869	7,16,530
3. Excise ...	32,88,444	15,630	1,99,188	30,73,626	31,66,854
4. Sayer ...	2,94,061	.....	14,644	2,79,417	4,15,352
5. Mohatarfa ...	2,60,673	.....	.....	2,60,673	2,66,504
6. Forest { Ordinary ...	9,16,528	1,173	4,29,072	4,86,283	8,18,932
6. Forest { Kheddas ...	73,927	.....	86,200	—12,273	—47,204
7. Gold Mining ...	10,49,161	.....	9,787	10,39,374	7,66,935
8. Registration ...	1,03,238	111	51,815	51,312	54,473
9. Amrut Mahal ...	19,508	.....	30,808	—11,300	—1,555
10. Investment Account...	5,79,186	.....	3,22,807	2,56,379	3,11,303
11. Interest on Loans, &c., Revenue arrears.	41,334	.....	.....	41,334	34,250
12. Sundry other sources of Income.	1,26,492	20,015	.....	1,06,477	1,12,371
Total ...	168,77,450	2,17,321	26,15,431	140,44,698	147,23,176
13 State Railways ...	6,11,060	.....	6,99,408	—88,348	—1,33,197
Grand Total including State Railways.	174,88,510	2,17,321	33,14,839	139,56,350	145,89,979
Deduct—Net Expenditure as per Statement No. II ...				131,78,827	125,85,703
Surplus ...				7,77,523	20,04,276

No. II.—Statement of Gross and Net Expenditure, 1896-97.

Heads of Expenditure.	Gross Expenditure, 1896-97.	Income, 1896-97.	Net Expenditure, 1896-97.	Net Expenditure, 1895-96.
	Rs.	Rs.	Rs.	Rs.
1. Subsidy	35,00,000	.....	35,00,000	24,50,000
2. Civil List	14,00,000	.....	14,00,000	14,00,000
3. Political Pensions	1,03,602	.....	1,03,602	1,08,761
4. Pensions to the Members of the Royal Family.	80,000	.....	80,000	80,000
5. Interest on Mysore Railway Loan of 20 lakhs.	99,063	.....	99,063	1,01,420
6. Interest on Savings Bank Deposits and Charity Funds.	1,25,970	.....	1,25,970	1,23,805
7. General Administration ...	4,48,448	.....	4,48,448	4,00,608
8. Law and Justice { Courts ...	8,51,093	59,566	7,91,527	7,66,700
8. Law and Justice { Jails ...	80,076	26,267	53,809	55,506
9. Police	8,52,956	787	8,52,169	7,84,586
10. Education	5,12,750	93,105	4,19,645	4,10,072
11. Mujroyi	3,21,958	.....	3,21,958	3,26,695
12. Medical	2,99,931	11,234	2,88,697	2,95,826
13. Government Houses	63,314	.....	63,314	59,152
14. Scientific and Minor Departments...	2,09,356	12,475	1,96,881	1,73,448
15. Superannuation Pensions, Gratuities, &c.	2,75,360	.....	2,75,360	2,62,420
16. Stationery and Printing ...	1,64,808	5,743	1,59,065	1,97,547
17. Public Works	25,71,024	25,944	25,45,080	31,89,343
18. Railway Construction	2,57,217	.....	2,57,217	1,17,311
19. Army	9,69,279	.....	9,69,279	9,81,470
20. Other Items	2,27,743	.....	2,27,743	3,01,033
Total ...	134,13,948	2,35,121	131,78,827	125,85,703

Surplus.—Taking now a general survey of the finances of the last year, we find that the income from the principal sources of our Revenue, namely, Land Excise, Forests and Sayer, all declined owing to the unfavorable season, and the aggregate falling off in Net Income from them was over 9 lakhs; under Gold Mining there was, however, an improvement of nearly $2\frac{3}{4}$ lakhs and the decrease in Net Income was thereby reduced to $6\frac{1}{4}$ lakhs. On the other hand, the Net Expenditure of the year largely increased; the enhanced Subsidy and new Railway Construction made the large addition of $12\frac{1}{2}$ lakhs to the usual annual expenditure; upon ordinary Public Works, however, the outlay was lower than in the previous year by about $6\frac{1}{2}$ lakhs, and this reduced the increase in annual expenditure to 6 lakhs. Thus with $6\frac{1}{4}$ lakhs of less Net Income and with 6 lakh

of more Net Expenditure, the surplus of the year was only Rs. 7¾ lakhs as compared with the 20 lakhs of 1895-96.

The opening balance on 1st July 1896 was Rs. 147,28,394, which with the year's surplus of Rs. 7,77,523 gave a closing balance of Rs. 155,05,917 on 1st July 1897. Of this amount, Rs. 135,94,500 represented the nominal value of Government of India Pro-Notes and Mysore Government Railway Debentures and the remainder was cash in the Madras Bank and Local Treasuries.

Budget.—The Preliminary Budget for 1897-98 (*vide* Appendix) provides for an income of Rs. 184,63,000 and an expenditure of Rs. 173,28,000, besides the sum of Rs. 14,50,000 required for the construction of the Birur-Shimoga Railway, a new re-productive work of importance for which a grant from the accumulated Surplus may probably become necessary.

Local Funds.—Having in the foregoing remarks dealt with the State Revenue from all sources, I may now refer briefly to the Revenue raised and expended for various local purposes.

(1) *District Local Funds.*—The income of the Local Boards of the various Districts, amounted to Rs. 6,16,677, and together with their opening balance of Rs. 4,71,058, these Boards had at their disposal for expenditure for local purposes an aggregate sum of Rs. 10,87,735. Out of this, the total amount spent during the year was Rs. 7,13,318 as follows:—

	Rs.
Roads and other public works	5,78,944
Sanitation	12,090
Medical aid	69,381
Accommodation for travellers	16,326
Establishment	6,661
Refunds	10,013
Miscellaneous	19,903
Total ...	7,13,318

(2) *Local Funds General.*—In addition to the Funds administered as above by the Local Boards of the various Districts, the State maintains a special reserve fund formed by annual assignments of State Revenue and called "Local Funds General," to meet local wants beyond the capacity of the various District Boards. The expenditure out of this Fund was Rs. 2,15,883, as follows:—

	Rs.
Communications including accommodation for travellers ...	1,14,416
Chikmagalur Water-supply	7,225
Drinking water wells and miscellaneous public improvements.	73,733
The Industrial School and the Karnatic and Unani Hospitals.	17,809
Miscellaneous	2,700
Tota ...	2,15,883

(3) *Village School Fund.*—From a third fund maintained for the important local purpose of primary education in villages Rs. 2,04,640 were expended in the maintenance of 1,479 Vernacular and 8 Anglo-Vernacular Schools, giving primary instruction to 45,276 boys and 3,500 girls.

(4). *Municipal Funds.*—The Boards of the 109 Municipalities within the State incurred during the year an aggregate expenditure of Rs. 6,78,512 on the following objects:—

	Rs.
1. Public Works	2,56,912
2. Conservancy and Sanitation	1,31,398
3. Medical aid	48,074
4. Education	38,233
5. Lighting	39,076
6. Establishment	58,151
7. Refund and Suspense	45,570
8. Interest on debt and other miscelleneous items	61,098
Total	6,78,512

Public Works.—Before proceeding to review the D. P. W. operations of the year, I may refer to the recent division of the State into two Circles in charge of separate Superintending Engineers subject to the orders of the Chief Engineer. This measure was introduced tentatively in order to strengthen the Administrative Branch of the Department and to afford better control over expenditure, with more frequent and effective inspections of works in progress as well as more thorough scrutiny of projects under preparation.

The expenditure on Public Works (other than Railways) amounted during the year to Rs. 36,73,458 against Rs. 40,30,021 in 1895-96, the decrease being due to the completion of the Chamarajendra and Vanivilas Works for the water-supply of Bangalore and Mysore. As the Durbar have, from the outset, been anxious that both the City and the Civil and Military Station of Bangalore, should participate alike in the benefits of an established water-supply, and as the Chamarajendra Reservoir is capable of supplying water to the Station without any appreciable diminution of the supply to the City, an agreement has been entered into with the British Government whereby water is to be drawn from the said Reservoir for the supply of the Station.

The Public Works expenditure in 1896-97 was distributed over the following funds:—

	Rs.
Provincial Fund	25,48,034
District Fund	5,08,541
Irrigation Cess Fund	3,81,456
Palace Fund	27,671
Grants for Sanitary Works from Provincial and Local Funds General.	72,757
Non-Budget Public Works Department Works (*i. e.*, debitable to Forest, Education Cess, Cemeteries, &c., and Contributions.)	1,34,999
Total	36,73,458

Classified by service heads, the distribution of the above outlay on both Original Works and Repairs stood as follows:—

	Rs.
Military Buildings	1,99,010
Civil Buildings	3,28,941
Communications	9,04,007
Miscellaneous Public Improvements	3,89,351
Irrigation	10,03,860
Tools and Plant	16,980
Establishment	6,09,017
Suspense Accounts	14,536
Sanitary Works	72,757
Works debitable to Civil Department Budgets	1,34,999
Total	36,73,458

The following are some of the more interesting details concerning works in progress:—

Military Buildings.—The New Barracks for the Imperial Service Troops made satisfactory progress, and the huts and subsidiary buildings are approaching completion. The outlay on this work alone amounted to over a lakh and a half.

Civil Buildings.—Under this head, the most important item is "The Victoria Hospital at Bangalore" estimated to cost $3\frac{1}{2}$ lakhs.

Allusion may also be made to the commencement of the buildings which at a cost of half a lakh will form a suitable, comfortable and healthy "Students' Home" in Mysore. A similar Home will also be provided for Bangalore at the same time. These Homes will meet a long felt want and will be a special boon to the many Mofussil students who come to Mysore and Bangalore for their education.

Communications.—Under "Communications" the most important works undertaken during the year were the large bridges at Holé-Narsipur across the Hemavati river, and at Tadasa across the Bhadra river, on which Rs. 16,000 and Rs. 36,000 were spent. These important bridges were promised in the previous year, and it is satisfactory to note that the good progress made on them during the year gives promise of their early completion. Several small new bridges at hitherto difficult road crossings were in hand, together with many new branch lines and other required general improvements to our roads.

Irrigation.—The total outlay on Irrigation during the year was Rs. 10,03,860.

In Tumkur, the great Mavatur tank made good progress, notwithstanding the difficult and costly foundation; in Chitaldrug, the Vuduvalli and Kathral tanks were completed with the exception of the distribution channels; in Mysore the Holasal and Hulhalli channels were practically completed, and the Chamraj channel was approaching completion; and satisfactory progress is reported on the Kalhalli anikat and channel extension in French Rocks, on the South Sriramadevar Channel in Hassan, and on the Kuksandra tank in Kadur.

The investigation of other large projects for the further development of irrigation in the State continues to engage the best attention of the Public Works Department, and among these I may mention the proposed big tank across the Vedavati at a point some ten miles higher than Marikanave. This project in so far as it has been examined, promises to do away with the need for a reservoir at Marikanave, which has failed to advance to any practical stage after all the discussion and preliminary investigation devoted to it during the past 50 years.

Sanitation.—The outlay of Rs. 72,757 was incurred on the completion of the water-supply projects and drainage improvements of various mofussil towns now being dealt with.

Railways.—The projected Railway from Arsikere *viâ* Hassan and Manjarabad to the West Coast is still under consideration. The difficult problem of the best and most economical route and method for the Ghaut descent is being carefully investigated by the Durbar.

Railway construction during the year was confined to the branch line from Birur to Shimoga, and very satisfactory progress was made with the earthwork and minor bridges.

It is satisfactory to note in this place that the precentage of net earnings on Capital outlay shows on all our Railways some improvement as compared with 1895-96. The improvement was from 8·72 to 10·38 on the Kolar Gold Fields

Branch, from 3·46 to 3·99 on the Hindupur and Nanjangud Branches and from 4·57 to 4·77 on the Main Line from Mysore to Harihar. On the last named line, however, the payments on account of interest on the expended portion of the English Loan and the Southern Mahratta Railway Company's ¼th share of profits, together amounted to 5·96 per cent upon the Capital outlay, as against net earnings of 4·77 per cent, and there was in consequence a deficit of Rs. 1,79,733.

Education.—The total number under instruction in both public and private institutions was 114,763, of whom 100,299 were boys, and 14,464 were girls. The percentages of male and female pupils to the male and female population of school-going age were 27·51 and 4·00 respectively. The total expenditure on Education amounted to Rs. 9,16,969, and was drawn from the following sources:—

	Rs.
State Funds	4,80,454
Local rates or cesses	2,05,925
Municipal Funds	32,762
Fees	96,187
All other sources	1,01,641

Of new schools established during the year 94 were Indigenous, 7 Anglo-Vernacular and 2 Normal Schools for the training of Primary school teachers. Gymnastic and Drill Instructors were appointed in all Colleges and High Schools.

Satisfactory progress is reported in female education. The Maharani Girls' School, Mysore, is to be congratulated upon the passing of the Matriculation Examination by three of its pupils. They are now studying for the F. A. Examination in the same institution, and have been granted special scholarships under a covenant that they should serve as teachers after passing. From all Girls' Schools in the State three girls passed the Upper Secondary Examination, seventeen Lower Secondary Examination and one the Teacher's Certificate Examination. An Upper Secondary Department was opened in the Government Girls' School at Bangalore.

To the Oriental Library were added 554 printed and 344 manuscript works; the latter include two rare works of Jain literature, namely, Anantanathapurana by Janna and Parsvanathapurana by Parsva, both of the 13th century.

Archæology.—Three important identifications of places were made during the year, namely, (1) Kitthipura, capital of Punnad, with Kittur in the Heggaddevankote Taluk. The Province of Punnata or Punnad corresponds with the Pounnata mentioned by Ptolemy in the 2nd century, and mention of it occurs in connection with Bhadrabahu who died at Sravana Belgola in the 3rd century B. C. (2) *Anebiddâsari* or Anebiddajari, from the 12th to the 15th century a district near Tumkur, with Anegondi on Devarayadurga. (3) The boundaries of the early Hoysala Kingdom in the 11th century, not before known.

Meteorology.—The work of the four observatories at Bangalore, Mysore, Hassan and Chitaldrug was carried on without interruption during the year, and valuable observations were recorded at the Central Observatory, Bangalore, with the aid of self-registering instruments. Besides the weekly publication of statistics in the Official *Gazette*, a series of annual publications called the "Meteorology of Mysore," a work regarded as a valuable contribution to the climatology of this part of India, was issued, as well as tables of annual rain-fall. For the accuracy of rain-registration throughout the State, a uniform gauge, *(viz.,* the 4·7 inch gauge*)*, was introduced in all the 161 registration stations.

Geology.—The total area examined by the Geological Department during the year amounted to 800 square miles, and the area actually mapped to 500 square miles.

The mapping of the Gold Fields Geologically on a larger scale than yet attempted has been started, and when completed, will be of great value and interest.

Mujroyi.—During the year the revision was completed of the Tasdik Pattis of the principal temples and Mujroyi Chattrams in the Hassan and Kadur Districts.

Repairs to 64 religious and charitable institutions at a total outlay of Rs. 37,844 made satisfactory progress during the year.

Medical.—Among new medical institutions opened during the year may be mentioned the Bangalore Eye Infirmary which has already attained considerable popularity, and the Bacteriological Institute which promises to be a valuable help in the prevention and treatment of zymotic diseases.

Legislation.—The Regulations passed during the year were—

II of 1896.—A Regulation to provide for the imposition and levy of certain duties on cotton goods.

III of 1896.—A Regulation to amend the Indian Limitation Act as in force in Mysore.

I of 1897.—A Regulation to amend the Mysore Legal Practitioners' Regulation III of 1884.

II of 1897.—The Epidemic Diseases Regulation.

The Mysore Mines Regulation, to which reference was made in my last Address, has been passed and promulgated this week. The Rules required to be framed under this Regulation are now under preparation.

Agricultural Banks.—As intimated at the last meeting an Officer was appointed in December 1896 to examine into the working of the existing Banks, to scrutinize and report upon new Banks proposed to be formed and to explain to the inhabitants of the rural tracts the principles on which such Banks should be founded. The interest which the landholding classes have begun to take in the formation of Agricultural Banks is full of hope for the future of this experiment. In the year 1894-95, the first year in which the scheme was put on a workable basis, a moderate beginning was made with two such Banks. They were followed by six more in the next year, by eighteen during the third year and by twelve up to date in the current year. Thus we have altogether 38 such Banks at present carrying on business with funds aggregating Rs. 11,75,000. The Government note with satisfaction an increasing appreciation by the rural population of the usefulness of these institutions and of the importance of the co-operative principles so essential for their success. These are very clearly laid down in the form of the Articles of Association prescribed under the Companies Regulation, and an important part of the duty of the Government Inspector is to further explain them to the people in as popular a way as possible and by means of frequent inspections to ensure close and uniform adherence to them by every Agricultural Bank. The reports to hand up to date contain the encouraging assurance that there has so far been no departure in the case of any Bank from the rules prescribing the rural character of its association, the limited area from which the members are to be drawn, the joint and several unlimited liability of the members for the debts of the Bank, the absence of a share capital, the grant of loans to members only and for approved purposes only, the exclusive application of the money lent upon such purposes and upon no others, the absolute punctuality in repayment, the gratuitous service of members and various

other regulations, all calculated to ensure success to the co-operative borrowing which it is the object of the system to inaugurate and firmly to establish in the country. I must however recall to your mind what I said when first announcing the system to you in October 1894. I then said that a Bank constituted and doing business on the principles above enumerated "must be solvent and will be "able eventually to command ample credit in the open market; but while such "credit is in the process of growth—and its growth will take time—the Govern- "ment will be prepared to help the Bank with deposits of money at favorable "rates of interest." The Government are carrying out as you know the promise I thus made three years ago, but it rests with the members composing the Banks already formed or to be hereafter formed, and upon the agricultural population generally, to help in every way in their power the growth of agricultural credit so as to be able to borrow upon its security in the open market, for the wants of individual agriculturists. If this great end has been attained in other countries there is no reason why you should fail to achieve it. I take it as a hopeful sign of the first small beginnings of united credit that three of the Banks have secured for their purposes small deposits of money from the members and others, and, when public confidence is more widely established in the thorough solvency of Agricultural Banks under our system, there is no reason why these Banks should not attract the whole of the capital* which now finds investment in the Government Savings Banks in the State in spite of the small rate of interest allowed, of $3\frac{1}{8}$ per cent.

Some 30 lakhs.

The Palace Fire.—And now I have to refer to that sad event of the year, the Palace Fire. I need not now detain you with the details of that unfortunate occurrence which were so fully published at the time. Occurring as it did immediately after the festivities connected with the marriage of the First Princess, this catastrophe for some time cast a gloom all over the State and evoked expressions of deep sorrow from all parts of it.

A committee, consisting of Mr. P. N. Krishnamurti, C.I.E., Member of Council, Colonel Bowen, Chief Engineer and Secretary, Public Works Department, Mr. S. M. Fraser, Tutor and Governor to His Highness the Maharaja, and Mr. Dalavoy Devaraj Urs, was appointed to investigate the cause of the outbreak of the Fire and the circumstances attending it. The committee made a very careful enquiry and arrived at the conclusion that the marriage pandal was accidentally lighted from above. Out of a superficial area of 1,52,968 square feet of which the Palace Buildings consisted, about $\frac{1}{5}$th or 30,054 square feet was destroyed; the Sajje or the front portion and the three storeys rising above it to the Gold Kalasa, the Sanskrit Library, the Armoury, the Music Room, and the Balakhana were completely destroyed, and of the newly constructed Ambavilas or Durbar Hall, the wood-work was destroyed, leaving the walls, roof and the stone and iron framework standing. The lives of eight persons were lost in the Fire, four being those of Palace servants and four of outsiders. Her Highness the Maharani-Regent, while deeply regretting the death of these men, awarded their families liberal money presents and pensions. Her Highness was further pleased, by means of a public Notification, to express Her heartfelt thanks as well for the messages of sympathy received from all quarters, as for help from the officers of the State and from others and from persons of all conditions of life, who so readily came forward each to do what lay in his power to put out the fire or to save the property.

A suitable design for the reconstruction of the portions of the Palace destroyed by the fire has been prepared by a well known Architect. This design while following the general outline of the old building is in many ways an improvement upon it, and in the construction, it is intended to provide for immunity from future accidents of a similar kind, and the whole work will be completed as quickly as possible.

The Diamond Jubilee.—Gentlemen, before concluding this Address, I must allude to that Great Event—the celebration of the Diamond Jubilee of Her Most Gracious Majesty the Queen-Empress of India. The celebration at Bangalore was conducted by Her Highness the Maharani-Regent in person, and at the Durbar held at the Palace, Bangalore, on the 22nd of June, the Khirita received from His Excellency the Viceroy was presented by the British Resident in Mysore to Her Highness the Maharani-Regent, who caused to be submitted to Her Majesty, a message of hearty congratulation on the auspicious event, together with an expression of the grateful devotion and loyalty of both the Ruling Family and the People of Mysore. Durbars were held at the Head Quarters of all Districts and Taluks in the State at which the principal Executive Officers announced to the people assembled the object of the celebration, the wisdom and benevolence of Her Majesty's reign, the claims of Her Majesty upon the gratitude of India generally, and of Mysore in particular, and the satisfaction of Her Highness the Maharani-Regent at the warm enthusiasm which the auspicious event had evoked in all parts of Mysore. The occasion was marked throughout the State by the offer of prayers in all places of worship, by the release of a certain number of prisoners as an act of clemency, by the feeding and clothing of the poor, and by public entertainments and rejoicings. The Fetes at the Cubbon Park, Bangalore, (in which both the City and the Civil and Military Station combined) were a conspicuous success. And on the same day Her Highness the Maharani-Regent laid the Foundation Stone of a new Hospital, to be called the "Victoria Hospital, Bangalore" for affording medical relief to sufferers of all classes without distinction and to be maintained as a Permanent State Charitable Institution in commemoration of the long and glorious reign of Her Most Gracious Majesty the Queen-Empress of India.

MYSORE,
8TH OCTOBER 1897.

K. SHESHADRI IYER,
Dewan of Mysore.